

Housing & Community Investment

AHP Early Disbursement Manual



Affordable Housing Program
Effective January 2, 2025

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Summary

This AHP Early Disbursement Manual has been designed as a reference guide for Sponsors and Members (commercial banks, credit unions, thrifts, insurance companies, and CDFIs) that have been awarded Affordable Housing Program (AHP) funds by the Federal Home Loan Bank of Cincinnati (FHLB) in one of its competitive AHP offerings. **Only projects that will provide rental housing are eligible to request an early disbursement of AHP funds.** Projects that provide assistance to homebuyers or homeowners are not eligible to receive a disbursement of AHP funds prior to completion of work on any unit. This manual includes instructions on how to access AHP funds prior to the completion of work on a rental project; a similar process will be required once the completion of work has taken place in order to draw the balance of the AHP funds awarded.

Please review this manual and the most recently-recorded version of the Early Disbursements for Rental Projects webinar available at www.fhlbcin.com prior to submitting a request for funding. The project's Sponsor(s) and Member(s) must both complete an AHP Early Disbursement Request form ("Request Form") and submit the relevant required documentation to request AHP funds. Use the Request Form and this manual to identify acceptable documentation. Submitting documentation that is complete, consistent, and accurate will allow the request to be processed as expeditiously as possible. Please submit the request after securing all funding commitments but no more than six months after the project has closed its construction loan or secured all required work permits. Allow at least 30 days for FHLB to review the disbursement request.

For questions regarding funding, please contact call 888-345-2246 or send an e-mail to AHPDisbursement@fhlbcin.com. Please note that all terms in quotation marks in this document represent items specifically defined by FHLB's AHP Implementation Plan, which is available at www.fhlbcin.com under Housing Programs\Affordable Housing Program\AHP Application Information\Documents and Forms.

Disbursement Timeline

Timeline for Disbursement of Funds

Once FHLB receives the Request Form with all supporting documentation, FHLB staff will analyze the information and contact the Sponsor(s) and the Member(s) via e-mail should additional information or clarification be required. Requested information should be submitted to FHLB within 30 days of the request. All disbursements and additional information will be processed in the order in which they are received.

Please allow 30 days for the review of all submitted documentation. If FHLB receives incomplete or incorrect documentation, delays in the disbursement process will occur. For a timely receipt of funds, refer to the Frequently Asked Questions and Common Mistakes section of this manual for tips on how to avoid unnecessary delays.

Transfer of Funds

Once FHLB has approved the request for funds, the Member(s) and Sponsor(s) will receive a Confirmation of AHP Funds Disbursement via e-mail confirming the amount disbursed for the project. Within one business day, FHLB will electronically deposit the approved funds into the Member's Demand Deposit Account at FHLB. If the Member does not receive the funds within this timeframe, please contact FHLB for assistance. The Member should credit the funds to the Sponsor or project within 60 days after disbursement of funds by FHLB has occurred.

Disbursement Availability & Subsidy Adjustments

FHLB will process disbursement requests in accordance with FHLB's procedures and guidelines for funding of subsidies and all applicable monitoring procedures, the latter of which are published on FHLB's website, www.fhlbcin.com.

Restricted Access to AHP Subsidy

FHLB reserves the right to deny or delay subsidy disbursement to a Member or Sponsor if:

1. Either the Member or Sponsor has failed to respond to a prior FHLB request for information regarding this or other AHP projects, or
2. The Member or the Sponsor has been asked by FHLB to cure a noncompliant situation and resolution is pending, or
3. The Sponsor currently has other older, open, and incomplete AHP projects that it must complete or make adequate progress towards completion.

Subsidy Adjustments

FHLB reserves the right to make reasonable adjustments to all disbursement requests at FHLB's discretion in accordance with FHLB's procedures and guidelines for funding of subsidies. The majority of subsidy adjustments occur if the project's funding sources have changed and there is no longer a need for the level of AHP subsidy previously requested, if the costs presented are not reasonable, if ineligible expenses are included as development or operating costs, if the project no longer meets the applicable scoring criteria as outlined in the AHP Application and Scoring Sheet, or if the project does not meet feasibility guidelines.

Disbursement Criteria

In processing disbursement requests, FHLB reviews the information submitted with the Request Form and other pertinent project information obtained from the Member and the Sponsor during the AHP application and review process. FHLB verifies that the project continues to qualify for the awarded subsidy based on the applicable threshold requirements and scoring criteria set forth in the AHP Implementation Plan in place when the project was awarded AHP funds and that the Member and the Sponsor have fulfilled the obligations to which they committed in the approved AHP application. FHLB re-evaluates the financial and operational feasibility of the project and verifies the project's continued need for subsidy.

Members and Sponsors requesting AHP funds from FHLB must have documents in place in a form satisfactory to FHLB to meet the requirements of the AHP regulation and must provide copies of such documents to FHLB prior to FHLB's disbursement of funds. Below is a detailed list of the documents required for early disbursement processing. FHLB reserves the right to request further documentation as necessary or to request the amendment of documentation, including closing documentation, if it does not meet FHLB's requirements.

All AHP funds are subject to FHLB’s funding requirements. Receipt of a disbursement does not guarantee compliance with AHP guidelines. FHLB reserves the right to reduce or recapture funds at any time, should the project be found out of compliance or no longer demonstrate the need for subsidy.

Rental projects can submit an AHP Early Disbursement Request, but the project must meet the following criteria:

1. The project must be approved for an AHP grant with no monies drawn;
2. All AHP agreements must be fully executed;
3. All funding sources for the project must be fully committed; and,
4. The project must have ***Low or Moderate Disbursement Risk*** (that is, Low or Moderate Sponsor Risk and either Low or Moderate Current Project Risk). FHLB will assess the disbursement risk upon receipt of the AHP Early Disbursement Request form and supporting documentation. Projects that do not have low or moderate disbursement risk may only receive a disbursement of AHP funds after project completion (see Exhibit 3).
5. The project cannot have been award AHP subsidy in the form of an Advance.

Sponsor Risk (see Exhibit 1 immediately below)

Sponsor Risk represents an assessment based on the capacity of the project’s Sponsor and its prior/current performance on other projects that used or are using AHP funds. The risk reflects the likelihood that the project will not be completed or that AHP funds will have to be recaptured. The FHLB will use the project or projects that the Sponsor has completed or submitted for disbursement of AHP funds within the last five years to assess this risk.

1. **Sponsor capacity:** FHLB staff will consider the information provided about the Sponsor through the AHP Application, experience with the Sponsor, and any notable news items to score the Sponsor’s capacity up to three points maximum;
2. **Project progress:** FHLB staff will consider historical and current AHP compliance information to assess the status of projects the Sponsor has completed within the last five years and its currently active AHP projects to assign the project progress score; current projects that have been noncompliant or that have failed to meet timing benchmarks will not receive the full two points;
3. **Modifications:** FHLB staff will assign the modifications score based on the frequency of changes the Sponsor made to previous and current AHP projects using the following scale so that only Sponsors that do not rely on modifications to complete projects receive the full two-point score;
 - Zero modifications within the last five years yields a score of two,
 - One to two modifications within the last five years yields a score of one, and
 - Three or more modifications result in a score of zero;
4. **Disbursements delays:** Sponsors that have not had significant documentation issues or frequent delays during the disbursement process on previous AHP projects will receive the full three points in this scoring category; projects that have encountered delays will receive a reduced score based on a sliding scale.

Exhibit 1: Sponsor Risk			
Sponsor capacity score			
	<u>Low capacity</u>	<u>Moderate capacity</u>	<u>High capacity</u>
	0	2	3

Project progress score		
<u>Poor</u> 0	<u>Satisfactory</u> 1	<u>Good</u> 2
Modifications score		
<u>Frequently</u> 0	<u>Occasionally</u> 1	<u>Never</u> 2
Disbursement delays score		
<u>Frequently</u> 0	<u>Occasionally</u> 1	<u>Never</u> 3
Sponsor Risk Key:	<u>Total Score</u> 0-4 5-7 8-10	<u>Sponsor Risk</u> High Moderate Low

Current Project Risk (see Exhibit 2 immediately below)

Current Project Risk represents an assessment based on the nature of the project. The risk reflects the likelihood that the project will not be completed or that AHP funds will have to be recaptured.

1. If the Sponsor is the general contractor on the project or does not yet have the work under contract, the project is assumed to have an inherently greater risk than a project with a signed construction contract in place.
2. If the project has a government funding source that has already committed funds to the project, the project is assumed to have less risk than a project that does not have a committed government funding source.

Exhibit 2: Current Project Risk		
Executed construction contract is in place (and the Sponsor is not the general contractor) AND the project has a committed government funding source	Executed construction contract is in place (and the Sponsor is not the general contractor) OR the project has a committed government funding source	The Sponsor is the general contractor or the project does not have a construction contract in place AND the project does not have a committed government funding source
Low	Moderate	High

Disbursement Risk (see Exhibit 3 immediately below)

FHLB will disburse AHP grant funds prior to project completion only to projects with **Low or Moderate Disbursement Risk** (that is, Low or Moderate Sponsor Risk and either Low or Moderate Current Project Risk). Projects that do not have low or moderate disbursement risk may only receive a disbursement of AHP funds after project completion.

Exhibit 3: Disbursement Risk based on Sponsor and Current Project Risk				
		Sponsor Risk		
		Low	Moderate	High
Current Project Risk	Low	<i>Low</i>	<i>Low</i>	<i>High</i>
	Moderate	<i>Low</i>	<i>Moderate</i>	<i>High</i>
	High	<i>High</i>	<i>High</i>	<i>High</i>

Disbursement Feasibility

The project must meet FHLB's feasibility guidelines or FHLB must receive explanations satisfactory to FHLB in its sole discretion for any values outside the guidelines. Refer to the AHP Disbursement Feasibility Guidelines, available at www.fhlbcin.com under Housing Programs\Affordable Housing Program\AHP Disbursement Information\Early Disbursements for Rental Projects\Documents and Forms, for feasibility guidelines. Use the appropriate set that corresponds to year the project was awarded funds. There is a set of guidelines for projects approved in 2022 and prior and one for projects approved in 2023. If the costs or scope of the project has undergone any significant change subsequent to the time of AHP award, the project will undergo additional review and underwriting when an early disbursement is requested to ensure that the project still meets FHLB's feasibility guidelines and to determine the reason for, and the reasonableness of, any deviation. Based on this review, FHLB staff may work with project Sponsors or owners to make adjustments to the financial information submitted to ensure that the information accurately reflects the nature and financial structure of the project. Sponsors may not submit revised financials during review of the disbursement request.

FHLB may allow reasonable deviations from the guidelines based on the nature, location, and type of project and based on explanations provided by the Sponsor to justify such deviations. However, the Sponsor or project owner is ultimately responsible for ensuring that financial information is correct and consistent and that the project's financial structure meets FHLB's guidelines, or that any deviations are adequately explained, justified, and documented. If justification for a deviation was submitted with the approved AHP application or an approved project modification, and the value that is outside FHLB's guideline has not changed materially from the value shown in the approved AHP application or approved project modification, as applicable, no further justification is necessary. Projects that no longer meet FHLB's feasibility guidelines may no longer be eligible for AHP funds.

Documents and Forms

AHP Early Disbursement Grant Request Instructions

Collaboration between the project's Member and Sponsor contacts is necessary to complete the Request Form and provide the required documentation. Please follow the steps below to request funds. If additional assistance is necessary, contact the Housing and Community Investment staff at 888-345-2246 or send an e-mail to AHPDisbursement@fhlbcin.com.

Step 1: Complete the AHP Early Disbursement Request Form

- Download the form at www.fhlbcin.com under Housing Programs\Affordable Housing Program\AHP Disbursement Information\Early Disbursements for Rental Projects\Documents and Forms
- Complete all sections of the form. Mark each of the Required Documents as “Already on file” (meaning that the documentation was provided during the AHP application or with an approved AHP modification), “Enclosed,” or, if the item does not apply to the project, “N/A.”
- Attach additional sheets if any explanations are required.

Step 2: Gather Required Documents

- Collect anything marked “Enclosed” on the AHP Early Disbursement Request form for inclusion in the request package and transmission to the FHLB. All documents that pertain to the project are required.
- Use the listings in this manual below to ensure that the documentation provided meets the FHLB requirements.

Step 3: Obtain Required Signatures

- The Sponsor contact listed on the AHP Early Disbursement Request form must sign in the appropriate location on the form and then send the entire package to the Member contact for signature.
- The Member contact should review the materials and then, if acceptable, sign the AHP Early Disbursement Request form.

Step 4: Submit the AHP Early Disbursement Request Form and All Required Documents

E-mail to: AHPDisbursement@fhlbcin.com

Step 5: Submit Additional Information as Requested (if applicable)

E-mail to: AHPDisbursement@fhlbcin.com or the analyst who requested the additional information (include the project number in the subject line)

Required Documents Descriptions

1a	Construction loan closing date	Enter the date onto the Request Form upon which the project's construction loan closing took place. If this date is more than six months prior to the date upon which the early disbursement request package will be submitted to FHLB, the project is not eligible for an early disbursement request. If the project does not necessitate a construction loan, enter "N/A" on line 1a of the Request Form.
1b	Issuance of work permits date	<p>Enter the date onto the Request Form upon which the project secured its last required work permit. If this date is more than six months prior to the date upon which the early disbursement request package will be submitted to FHLB, the project is not eligible for an early disbursement request. If the project does not necessitate work permits, enter "N/A" on line 1b of the Request Form.</p> <p>A project is not eligible for an early disbursement request if it necessitates neither a construction loan nor work permits.</p>
2	Date of disbursement training completion	<p>One person from the Sponsor organization is required to participate in AHP disbursement trainings prior to the submission of the disbursement request. This person should be the person who is assembling the AHP disbursement request package and cannot be a consultant or application preparer who is not employed by or a volunteer of the Sponsor organization. The required trainings include:</p> <ul style="list-style-type: none"> • Early Disbursements for Rental Projects AND Rental/Tax Credit Disbursement Financials and Feasibility webinars, or • Attend the most recent AHP Workshop <p>Check Yes or No verifying the representative completed the training(s).</p>
3	Does the project include any space that FHLB defines as "Non-residential" or "Commercial"?	<p>Answer the question on the Request Form and, if applicable, fill in the information regarding nonresidential space and commercial space costs and sources of funds that paid for such costs.</p> <ul style="list-style-type: none"> • Refer to the approved AHP application to determine if any "Non-residential space" or "Commercial space" was identified in the project. • AHP funds cannot be used to pay for "Commercial space". <p>"Non-residential space" means any area beyond what is necessary to allow residents to enjoy normal housing amenities. One manager's office and one community room may be included as residential, but additional management areas or common spaces would be considered non-residential under the AHP. Please note that space normally included as common areas under the tax credit program may be considered non-residential space under the AHP. For example, art rooms, "Social services" program spaces, units reserved for case managers or "Social services" counselors or providers, and other such</p>

		<p>spaces are considered non-residential space under the AHP.</p> <p>“Commercial space” means any area in a residential development that is leased or intended to be leased to an entity and generates or will generate rental income to the project Owner. AHP funds cannot be used to pay for development costs associated with this space.</p>
4	<p>Proof that ALL funding sources (except cash contributions, donations, and deferred developer fee) have been committed to the project</p>	<p>Submit documentation for each of the project’s permanent funding sources as shown on the list of development funding sources, including loan assumptions. Each type of funding source requires a specific type of documentation for the FHLB purposes as outlined below:</p> <ul style="list-style-type: none"> • <u>Grants</u>: Fully executed copy of the grant agreement for each grant funding source (e.g. CDBG, HOME) with all exhibits and/or attachments • <u>Loans</u>: Signed copies of the note and mortgage (or deed of trust or trust indenture or other security instrument) for each loan to the project <ul style="list-style-type: none"> ○ If the closing for the permanent loan has yet to take place, submit a signed letter from the lender indicating the principal, rate, term, amortization, and payment amount that this lender expects to provide at the time of permanent closing. ○ The debt service outlined in the note for each source of hard debt must match the amount of debt service from that source shown on the project’s operating budget as submitted for item #3e above. ○ Soft, forgivable debt should not appear as debt service on the operating budget. • <u>Assumed Loans</u>: Signed copies of note and mortgage and assumption agreement • <u>Bonds</u>: Signed copies of the note and mortgage • <u>Deferred Developer Fee</u>: Signed letter or note from the developer indicating the amount of any developer fee that this organization is willing to defer • <u>Cash contributions, donations, and/or deferred developer fees</u>: Do not need to be documented until submission of the project’s final disbursement request. <p>Important information to note:</p> <ul style="list-style-type: none"> • If the amount of the funding source as shown on this documentation does not match the amount of the corresponding funding source’s contribution to the project as shown on the list of permanent development funding sources for the project, provide an explanation of the discrepancy with the disbursement request package. • All funding sources identified in the approved AHP application should be verified and included on the project’s list of permanent development funding sources. If a funding source identified in the approved AHP application did not contribute funds to the project, submit an explanation indicating why the

		<p>funding source did not fund the project. All sources that earned Outside Funding Commitment points must be included on the project's list of permanent development funding sources.</p>
5	Recorded warranty deed or memorandum of lease and lease agreement	<p>Submit a signed and recorded copy of the deed or memorandum of lease that transfers the rights to the property from a third party to the Sponsor or owner of the project if this item was not provided with the approved AHP application. This is needed for all project parcels and addresses.</p> <p>If the property is being leased, provide the fully executed lease. The term of the lease must be at least 15 years. Annual rent payments in a lease agreement must be shown on the operating budget.</p> <p>Make sure that the property's legal description as shown in the deed or lease matches the property documentation submitted with the approved AHP application. If it does not, submit consolidation or lot split documentation such as surveys or plats to show how the project's property as it currently appears came to be. All parcels of the project must be represented in both the property acquisition documentation and the documentation for this item.</p>
6	Verification of Sponsor's ownership interest in the ownership entity	<p>If the Sponsor is not identified as the owner directly by name in the deed or lease submitted for item 4, submit evidence of the Sponsor's ownership interest in the ownership entity. The Sponsor must have at least a 51 percent ownership interest in the general partner or managing member of the ownership entity.</p> <p>Submit one of the following that outlines the Sponsor's ownership percentage in the managing member or general partner of the ownership entity:</p> <ul style="list-style-type: none"> • Operating agreement for the general partner or managing member • Corporate record book for the general partner or managing member • Other legal documentation that establishes ownership of the managing member or general partner
7	Executed construction contract that includes a scope of work	<p>Submit an executed copy of all construction contracts for the project containing the following information:</p> <ul style="list-style-type: none"> • Address and/or project name • Scope of work • Fully executed copies of all change orders associated with each contract. (Do not send the back-up documentation for the change orders.)
8a	Evidence of the firm commitment from the tax credit allocating agency	<p>Submit one of the following documents that corresponds with the type of tax credits the project received:</p> <ul style="list-style-type: none"> • <u>9% Low Income Housing Tax Credits</u>: Award letter or

		<p>Carryover Allocation signed by the tax credit allocating entity verifying the amount of tax credits the project will receive.</p> <ul style="list-style-type: none"> • <u>State Low Income Housing Tax Credits</u>: Reservation or commitment letter • <u>4% Low Income Housing Tax Credits</u>: An executed copy of the 42m Letter of Eligibility for housing credits. • <u>Federal Historic Tax Credits</u>: Parts 1 and 2 signed by the National Park Service. If the project received a conditional approval, please submit the conditions and any amendments submitted to the National Park Service to rectify the conditional approval. • <u>State Historic Tax Credits</u>: Part 1 and 2 signed by the state historic preservation office.
8b	Executed copy of the partnership/operating agreement	<p>Submit the final/amended and restated partnership or operating agreement signed by all parties and including all attachments/exhibits. If the agreement has been modified or amended, signed copies of the amendments.</p> <p>The agreement must contain the following information, and the information must match the corresponding amounts on the cost certification and AHP Operating Budget:</p> <ul style="list-style-type: none"> • Equity pay-in schedule. • Capital contributions of each partner/member • Developer fee • Capitalized reserves and costs (including operating, lease-up, and replacement reserves, asset management fees and any other operating costs that will be paid up front instead of during operations) • Management fees • Replacement reserves paid in during project operations
9	<p>Submit updated budgets to verify the project's financial structure still meets the FHLB guidelines (<i>only required if the budgets on file are more than 6 months old</i>)</p> <p>a. Updated AHP Development Budget</p> <p>b. Updated AHP Operating Budget</p>	<p>Submit the AHP Development Budget and the AHP Operating Budget with current figures or projections. The template can be found here. Any changes to the project's financials that impact threshold or feasibility limits must be reported to and approved by the FHLB. Provide explanations for all changes.</p>

10	<p>Have any of the following project characteristics changed? Check all that apply:</p> <ul style="list-style-type: none"> • Sponsor or Member role • Project targeting (income, special needs, homeless, etc.) • Number of units or unit mix • Project location • Total project square footage • Any other material change 	<p>If the answer to this question is “Yes,” provide an explanation of the change(s) along with a signed AHP Modification Request Form. Any changes to the project that may impact scoring criteria or feasibility must be reported to and approved by FHLB and may jeopardize the project’s ability to draw AHP funds. Projects that are outside any of the feasibility guidelines will not be able to receive AHP funds without adequate justification of the deviated value.</p>
11	<p>AHP Verification of Project Loan Information Form (for projects approved in 2023 and forward)</p>	<p>If the project was approved in 2023 and forward, complete and submit the AHP Verification of Project Loan Information form. Projects approved in 2022 and prior should mark “N/A” for this item.</p> <p>Loan rates and fees are subject to limitations per FHLB’s Disbursement Feasibility Guidelines for Projects Approved in 2023 and Forward.</p> <p>The purpose of the form is to disclose all construction, predevelopment, and bridge loans made to the project, regardless if the project was awarded points for Member providing such loans. The AHP Development Budget and/or proforma should also reflect loan costs (points and fees) for any applicable loans.</p>



AHP Early Disbursement Request Form

Housing & Community Investment

AHP Early Disbursement Request Rental Projects Only Effective January 02, 2025



Project Name:			
Project Address(es):			
Primary Member Name:			
Secondary Member Name:			
Sponsor Name:			
Project Number:			
Total Initially Awarded:	\$	Amount Requested:*	\$
Primary Member Draw:	\$	Secondary Member Draw:	\$

*NOTE: Early grant disbursement requests are limited to 25% of the total grant initially awarded.

Refer to the AHP Early Disbursement Manual for acceptable forms of required documentation. Documents that do not meet FHLB requirements as listed in the manual will require amendment prior to disbursement of AHP funds, if viable, or will result in denial of the disbursement request.

Required Documents:	Already on file	Enclosed	N/A
1. Project dates: a. Construction loan closing: b. Issuance of work permits:			
2. The Sponsor certifies they have completed disbursement training: Yes <input type="checkbox"/> No <input type="checkbox"/>			
3. Does the project include any space that FHLB defines as "Non-residential space" or "Commercial space"? Refer to the approved AHP application. Yes <input type="checkbox"/> No <input type="checkbox"/> Total costs associated with Non-residential space: Total costs associated with Commercial space: What funding source paid for these costs?			
4. Proof that ALL funding sources (except cash contributions, donations, and deferred developer fee) have been committed to the project		<input type="checkbox"/>	
5. Recorded warranty deed or memorandum of lease and lease agreement	<input type="checkbox"/>	<input type="checkbox"/>	
6. Verification of Sponsor's ownership interest in the ownership entity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



Required Documents:	Already on file	Enclosed	N/A
7. Executed construction contract that includes a scope of work		<input type="checkbox"/>	
8. For tax credit projects only:			
a. Evidence of firm commitment from the tax credit allocating agency	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Executed copy of the partnership/operating agreement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Submit updated budgets to verify the project's financial structure still meets the FHLB guidelines (only required if the budgets on file are more than 6 months old)			
a. Updated AHP Development Budget	<input type="checkbox"/>	<input type="checkbox"/>	
b. Updated AHP Operating Budget	<input type="checkbox"/>	<input type="checkbox"/>	
10. Have any of the following project characteristics changed? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, Check all that apply: <input type="checkbox"/> Sponsor or Member role <input type="checkbox"/> Project targeting (income, special needs, homeless, etc.) <input type="checkbox"/> Number of units or unit mix <input type="checkbox"/> Project location <input type="checkbox"/> Total project square footage <input type="checkbox"/> Any other material change		<input type="checkbox"/>	No change <input type="checkbox"/>
11. AHP Verification of Project Loan Information Form (<i>for projects approved in 2023 and forward</i>)		<input type="checkbox"/>	<input type="checkbox"/>

Authorized Signatures:

☐ The individuals signing this request certify that they are authorized to make such requests and representations contained herein on behalf of the project Member and Sponsor identified and have read and understand the requirements for the program mentioned in the AHP Early Disbursement Manual. The Sponsor and Member further certify that they have taken the steps necessary to determine that the information provided herein is true and accurate, that they are not requesting reimbursement for costs that FHLB deems ineligible, and they understand that FHLB has a duty to invoke sanctions pursuant to the Federal Housing Finance Agency's AHP regulation in the event of noncompliance with the terms of the approved AHP application and any subsequent modifications approved by FHLB. Any changes to the project that may affect scoring criteria or feasibility must be reported to and approved by FHLB.

By signing below, you agree that the project will be subject to a deed restriction that will be submitted with the final disbursement request and that will meet the requirements of the AHP regulation.



☐ As the project Sponsor, I hereby certify that our organization meets the project sponsor qualifications criteria established by the FHLB and has not engaged in, and is not engaging in, fraud, embezzlement, theft, conversion, forgery, bribery, perjury, making false statements or claims, tax evasion, obstruction of justice, or any similar offense, in each case in connection with a mortgage, mortgage business, mortgage securities or other lending product.(FHFA's Suspended Counterparty Program regulation 12 CFR part 1227).

PRIMARY MEMBER REPRESENTATIVE:

Printed Name:	Company:
Title:	E-mail:
Address:	City, State, ZIP Code:
Phone Number:	Fax Number:
Signature:	Date:

SECONDARY MEMBER REPRESENTATIVE:

Printed Name:	Company:
Title:	E-mail:
Address:	City, State, ZIP Code:
Phone Number:	Fax Number:
Signature:	Date:

SPONSOR REPRESENTATIVE:

Printed Name:	Company:
Title:	E-mail:
Address:	City, State, ZIP Code:
Phone Number:	Fax Number:
Signature:	Date:



Frequently Asked Questions and Common Mistakes

Below is a list of frequently asked questions and common mistakes that often occur when requesting a disbursement of funds. They are being provided in an attempt to assist Members and Sponsors in expediting the disbursement process.

Frequently Asked Questions

Q. Why does FHLB require documentation before releasing funds?

A. FHLB cannot disburse AHP funds until it can determine through the documentation provided that the funds are necessary, that the project is financially and economically feasible, and that it is in compliance with the terms of the approved AHP application. By withholding funds until assessments from all of these perspectives have taken place, FHLB reduces the potential for recapture of funds. Documentation is necessary to ensure compliance with the federal regulations that govern the Affordable Housing Program.

Q. One of my proposed funding sources was not approved. Will my AHP award be cancelled?

A. If other financing or additional fundraising/cash contributions can be secured within a reasonable timeframe, the AHP award will not be cancelled. The project must have at least one other funding commitment in place within 12 months of AHP award and receive all other funding commitments within 18 months of AHP award. If a change in the project's funding sources significantly changes the financing structure of the project (especially as it pertains to the hard debt and/or lender), be sure to request a modification to the project via the AHP Modification Request Form, which is available at www.fhlbcin.com under Housing Programs\Affordable Housing\Early Disbursements for Rental Projects

Q. How will I know if a submitted request is approved?

A. A Confirmation of AHP Funds Disbursement will be emailed or faxed to the Member and Sponsor contacts to confirm deposit of the AHP funds into the Member's Demand Deposit Account at FHLB.

Q. How long does it take to receive funding once FHLB has received a completed AHP Early Disbursement Request and all supporting documentation?

A. Typically, FHLB will require up to 30 days for review of the disbursement request and provision of the funds. If information besides what is included in the submitted disbursement request package is required, it will take longer.

Q. We have had significant turnover within the organization since our application for AHP funds was approved. Are there any resources to improve our familiarity with the program and the approval process?

A. See the Early Disbursement for Rental Projects and other applicable webinars on FHLB's website at www.fhlbcin.com under Housing Programs\Affordable Housing Program\Early Disbursements for Rental Projects\Documents and Forms and review this manual. You may also contact a member of FHLB staff for questions by sending a message to AHPDisbursement@fhlbcin.com. Also, be sure to notify FHLB of staffing changes so that we may update our records.

Q. Can AHP funds be loaned to the project?



- A. Yes, but FHLB has certain provisions for the promissory note to the project. See the appropriate rental disbursement manual at www.fhlbcin.com under Housing Programs\Affordable Housing Program\Early Disbursements for Rental Projects.

Common Mistakes

In order to assist our Members and Sponsors with receiving funds in a timely manner, we have included a list of common mistakes that often delay the processing of AHP Early Disbursement Requests.

1. The AHP Early Disbursement Request form is incomplete or unsigned by one or both parties. All questions should be answered. If a question is not applicable to your project's type or the project was not awarded points for a particular scoring criterion, check the "N/A" box in the space provided. If an N/A box is not available for that particular item, submit an explanation indicating why you believe the item doesn't pertain to your project.
2. The person(s) assembling the Required Documents for the disbursement request package is not familiar with FHLB's requirements or the commitments the project made in its approved AHP application. See this manual or the Early Disbursement for Rental Projects webinar to familiarize yourself with FHLB's requirements. Contact FHLB at AHPDisbursement@fhlbcin.com or open OASYS for a copy of the project's AHP Scoring Sheet and/or the approved AHP application if you do not have one for the project.
3. The disbursement package contains documentation that contradicts other documentation included in the disbursement request package or documentation submitted with the approved AHP application or approved project modification.
4. There are significant differences between the project's financials as submitted with the approved AHP application and those submitted in the disbursement request documents that create conflicts with FHLB's underwriting parameters. FHLB requires an explanatory narrative to justify any material change to the project's financing, which it will only accept at FHLB's discretion.
5. Required documents do not contain the required signatures.
6. The AHP Sponsor or Member is delinquent with regard to additional information submission or reporting/monitoring requirements of FHLB for the project being submitted or others.
7. All of the funding sources shown in the approved AHP application were not documented with executed grant agreements, notes and mortgages or deeds of trust, etc.
8. The project closed on its construction loan or received all permits more than six months ago or is in the high risk category...these projects are not eligible.